

Office of Attorney General Terry Goddard



STATE OF ARIZONA
DEPARTMENT OF LAW
12 75 W. WASHINGTON STREET
PHOENIX, ARIZONA 85007-2926
WWW.AZAG.GOV

ANDREA M. ESQUER
PRESS SECRETARY
PHONE: (602) 542-8019
CELL PHONE: (602) 725-2200

FOR IMMEDIATE RELEASE

Attorney General's Office Settles with Used Car Service Company

(Phoenix, Ariz. – Feb. 10, 2006) Attorney General Terry Goddard today announced a \$170,000 settlement with Auto Connection and its owner Gail Oleaga. The Phoenix-based business sold extended service agreements for used cars to consumers.

Auto Connection advertised and sold automobile service agreements over the Internet, acting as an agent for warranty companies responsible for paying automobile repair claims filed by consumers.

Between 1998 and 2004, Auto Connection failed to forward hundreds of service agreements or the money paid by consumers for the agreements. As a result, many consumers were denied claims. In most of these cases, consumers had to pay for automobile repairs out of their own pockets, despite having paid Auto Connection for a service agreement to cover such expenses.

The settlement agreement includes the following provisions:

- Oleaga must pay restitution in the amount of \$120,000 to consumers who filed complaints with the Attorney General's Office or the Better Business Bureau of Central/Northern Arizona before Nov. 22, 2005.
- Oleaga must refrain from selling any type of automobile warranty or insurance product for a period of six years.
- Oleaga must reimburse the Attorney General's Office for the costs of its investigation in the amount of \$50,000.

If you believe you have been a victim of fraud, please contact the Arizona Attorney General's Office by visiting the Web site at www.azag.gov and filing an online complaint or by calling the Office at 602.542.5763 in Phoenix; 520.628.6504 in Tucson; or 1.800.352.8431 outside the Phoenix and Tucson metro areas.

###